Smart Growth

Policy Summary: Development patterns significantly influence vehicle miles traveled (VMT), which could be substantially reduced by additional "smart growth" that makes it easier for households and businesses to decrease the number and distance of motor vehicle trips. Diffusing single-use development accessed by cars results in 30%⁵⁶ more VMT than compact mixed-use growth. Massachusetts has policies promoting smart growth, but enhanced emphasis as well as new, complementary policies that focus on state and local plans, regulations, and investments are necessary to achieve our smart growth targets and the resulting VMT and GHG reductions.

| | Savings from full policy implementation | % of 1990 level |
|---|---|--------------------|
| Economy-wide GHG reductions in 2020 | 0.4 MMTCO ₂ e | 0.4% |
| VMT reduction below Business-As-Usual in 2020 | 1.7% | |

Clean Energy Economy Impacts: Reductions in transportation costs can be expected for residents and businesses due to reduced vehicle ownership and fuel consumption. High density mixed-used development will increase building efficiency, and make district energy and combined heat and power more feasible.

Rationale: Reducing or eliminating projected VMT increases via better land use patterns is important to realizing GHG reductions from the transportation sector, which is expected to account for over 40% of total GHG emissions in MA in 2020, with light-duty vehicles (cars, SUVs, minivans, pickups) accounting for about 70% of transportation sector emissions. An enhanced level of commitment to current policies along with the implementation of new policies and programs will be necessary to realize the 2020 and 2050 GHG emission limits.

Design Issues: Existing state policies include (1) GreenDOT, which prioritizes transportation projects that preserve the existing system, support denser "smart growth" development, and promote increased ridership, walking, and biking; (2) the MassWorks Infrastructure Program, which provides a one stop shop for infrastructure funds via six separate programs, and promotes consistency with other state initiatives, such as smart growth, Chapter 40R, and the 43D Expedited Permitting Program; and (3) completion and implementation of Land Use Priority Plans to guide state actions & investments consistent with the South Coast Rail Executive Order, which supports the South Coast Rail Economic Development and Land Use Plan by ensuring that agencies review their policies, actions, and investments to support and implement Plan recommendations including priority development and preservation areas. Complementary policies are needed in order to achieve the 80% smart growth target. These include:

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⁵⁶ See *Growing Cooler* by the Urban Land Institute

- Reform state planning, subdivision, and zoning statutes Pass legislation that
 provides a better framework for planning and zoning, enhanced tools to plan for and
 manage growth, and incentives to reduce VMT and GHG emissions through better
 development, increase housing production consistent with smart growth, and achieve
 other state goals.
- Provide technical assistance and undertake a smart growth promotional campaign

 Expand efforts to help establish zoning and other land use regulations that reduce
 VMT. Provide direct technical assistance by state employees, tools such as model zoning, and grants to hire professional assistance. Also, use public appearances, the media, etc. to promote smart growth by pointing out its many benefits.
- Require state infrastructure and vertical construction programs to include a
 strong preference for smart growth development in their criteria for funding
 decisions State investments, particularly those in infrastructure and buildings,
 influence where and how growth occurs. Enhanced use of these investments to promote
 mixed-use, high-density development and housing growth near services and transit is
 critical to attainment of targeted VMT reductions resulting from better land use. This
 could be accomplished via an Executive Order or through legislation that codifies the
 Sustainable Development Principles, and requires all agencies permitting, building, or
 funding infrastructure projects to take a set of smart growth criteria into account.
- Significantly increase incentives to municipalities to plan and zone for development that reduces VMT Much as the Community Compact Cabinet and Green Communities Program have succeeded in convincing many communities to adopt desired best practices, strengthening existing incentives and offering new ones can persuade communities to use their regulatory authority in ways that reduce VMT. Enhance existing incentives, such as Chapter 40R, and implement new ones that recognize the GHG reduction benefits of development practices that encourage smart growth and preserve forest and other natural land cover. Preference for grants could be awarded to communities that reduce land consumptive low density development through techniques, such as natural resource protection zoning, or that zone for transit oriented development, mixed-use city or town center development, or another smart growth consistent land use.

GHG Impact: The CECP Update assumes that aggressive implementation of current land use policies can result in 0.4 MMTCO₂e reductions in 2020, based on getting 50% of forecasted population growth to occur in the next highest density community type and increasing the land use mix and household density.

Equity Issues: Smart growth increases affordability by reducing the amount households spend on both housing and transportation. It further reduces housing costs by increasing the variety of housing types available and decreasing the amount of land and infrastructure needed per housing unit. It also enhances access to jobs and services for the young and infirm as well as those without a car. Finally, smart growth provides a higher percentage of new jobs in urban areas where unemployment tends to be high.

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Other Benefits: Urban sprawl costs the American economy more than \$1 trillion annually, according to a recent study by the New Climate Economy. These costs include greater spending on infrastructure, public service delivery, and transportation. The study finds that Americans living in sprawled communities directly bear \$625 billion in extra costs.⁵⁷ Smart growth is as much as 70% cheaper for governments than the same amount of sprawl. It simply costs less to provide infrastructure and services to denser, more contiguous households than to far-flung, low-density communities.⁵⁸ It enhances public health by reducing air pollution and increasing physical activity, and improves quality of life by improving neighborhoods, reducing travel times, and lowering costs. This in turn enhances economic competitiveness by appealing to prospective employees. Finally, smart growth reduces development of open space, including forested land that sequesters carbon.

Costs: Existing and proposed smart growth policies outlined herein have little cost as they rely almost entirely on enhanced use of existing funding. For example, state transportation funds would shift toward investments in support of desired development without increasing the amount expended. Similarly, financial incentives anticipate the use of existing state funding sources rather than creation of new ones. Modest additional funds are needed for technical assistance to municipalities and other entities to implement better zoning and other land use practices.

Experience in Other States: Delaware, Maryland, New Jersey, New York, Rhode Island, Vermont, and others have implemented smart growth programs that improved growth patterns and thereby reduced VMT. California is in the forefront with legislation (SB375) requiring each Metropolitan Planning Organization to attain an established GHG reduction target through the implementation of a Sustainable Community Strategy.

Legal Authority: Legislation (or an Executive Order) could codify and require agencies to implement the Sustainable Development Principles. It may also be needed to permit certain funding programs to implement municipal incentives and to authorize additional funding for incentives and technical assistance.

Implementation Issues: Smart growth requires a sustained, disciplined, and collaborative focus, particularly by the Commonwealth and local governments, on building communities consistent with the Sustainable Development Principles. The allure of short term gains, narrow self-interest, shifting priories, and leadership changes complicates efforts to realize smart growth consistent land conservation and development across Massachusetts.

Uncertainty: While state investments in infrastructure and buildings will help to steer growth to desirable locations and forms, communities can ignore state incentives and developers can still finance their own projects and build in ways that result in excessive VMT.

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⁵⁷ See <u>Analysis of Public Policies that Unintentionally Encourage and Subsidize Sprawl</u> by the Victoria Transport Policy Institute

⁵⁸ Research by the Real Estate Research Corp., Robert Burchell, and others